

UPCOMING RELEASE OF PUBLIC RETIREE INFORMATION

Helena – An agreement was reached between the Montana Public Employee Retirement Administration (MPERA) and the Montana Watchdog regarding information for retirees with benefits administered by MPERA.

About a year ago the Montana Watchdog requested that MPERA release retiree names and pension amounts; however, MPERA did not release this information in an effort to protect the privacy of its members. The Montana Teachers' Retirement System (TRS) received the same request and asked for an Attorney General opinion on the issue. Recently, Attorney General Bullock released an opinion that the public's right to know outweighed the individual rights of privacy of state retirees in their retirement benefits.

MPERA's Executive Director, Roxanne Minnehan and TRS's Director, David Senn, met with the Montana Watchdog to negotiate an agreement for the type of information that will be released. "Our concern with releasing pension amounts is the perception that taxpayers are fully funding retiree pensions. This is simply not the case," stated Minnehan. "Public employees contribute to their retirement account throughout their careers both as employees and taxpayers. When they retire, their pensions are paid largely from the investment earnings on those contributions with a portion contributed by taxpayers. It is misleading to imply that taxpayers pay the full amount of a retiree's benefit," said Minnehan.

Benefit amounts are not a true reflection of taxpayer contributions. Many retirees have purchased service they were eligible for, which increases the years of service used to calculate their benefit. This expense is paid solely by the member. Benefit amounts are also dependent upon the retirement option a member chooses. Monthly and lifetime benefit amounts vary significantly based on this personal, financial choice.

With this in mind, MPERA has agreed to release retiree names listed with their last employer, years of service credit and the estimated amount that their employer contributed throughout their employment.

"The question seems to be, 'how much are taxpayers paying for pension benefits?' says Minnehan. A study conducted by the National Association of State Retirement Administrators (NASRA) determined that in Montana state and local governments spend a total of 2.27% of their overall budgets funding public pension benefits. "Montana's local governments typically spend from 0 – 2% of their overall budgets on pension benefits. This is a small percent when you consider how much of that money returns to each of our Montana communities," stated Minnehan.

MPERA plans to release the information in January 2012. For more information, visit our website at mpera.mt.gov or find us on Facebook.

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